

## Message Text

CONFIDENTIAL

PAGE 01 STATE 194879  
ORIGIN ARA-14

INFO OCT-01 ISO-00 /015 R

DRAFTED BY ARA/PPC:JSCHRIBER:JRR

APPROVED BY ARA:JABUSHNELL

ARA/PPC:RWINSTANELY

ARA/PPC:RLBRUCE

ARA/PPC:NSSMITH

ARA/PPC:TCUBBISON

ARA/PPC:JARITCHIE

ARA/ECP:WSKOK

ARA/CAR:RSURBER

ARA/PAN:RWYROUGH

-----059936 022142Z /61

R 022001Z AUG 78

FM SECSTATE WASHDC

TO ALL AMERICAN REPUBLIC DIPLOMATIC POSTS

C O N F I D E N T I A L STATE 194879

E.O. 11652: GDS

TAGS: PINT, EGEN, PN, JM

SUBJECT: ARA WEEKLY HIGHLIGHTS

1. WEEK IN CONGRESS

ASSISTANT SECRETARY VAKY MADE COURTESY CALLS ON THE  
FOLLOWING MEMBERS OF CONGRESS:

--JULY 27: REP. GUS YATRON, CHAIRMAN, HOUSE INTER-  
AMERICAN AFFAIRS SUBCOMMITTEE.

-- JULY 28: REP. DANTE FASCELL, CHAIRMAN, HOUSE INTER-  
NATIONAL OPERATIONS SUBCOMMITTEE. AMONG TOPICS DISCUSSED  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 194879

WERE HAITIAN REFUGEES IN FLORIDA AND OUR APPROACH TO THE  
CARIBBEAN.

-- JULY 28: SEN. PAUL SARBANES, CHAIRMAN, SENATE  
WESTERN HEMISPHERE SUBCOMMITTEE.

-- JULY 31: SEN. RICHARD STONE, MEMBER, SENATE WESTERN

HEMISPHERE SUBCOMMITTEE FOR A DISCUSSION OF MEXICAN TOMATO IMPORTS AND IMET FOR NICARAGUA.

ON JULY 27, THE HOUSE OF REPRESENTATIVES, WHILE VOTING ON A FIVE-YEAR EXTENSION OF THE EXPORT-IMPORT BANK, REJECTED AN AMENDMENT OFFERED BY REPRESENTATIVE TOM HARKIN OF IOWA. THE AMENDMENT WOULD HAVE BARRED EX-IM BANK FINANCING OF US EXPORTS TO COUNTRIES THE SECRETARY OF STATE FINDS ENGAGED IN A CONSISTENT PATTERN OF HUMAN RIGHTS VIOLATIONS. THE VOTE WAS 286 TO 103 AGAINST THE PROPOSAL. THE ADMINISTRATION HAD OPHOSED THE AMENDMENT AS TOO RIGID AND WARNED THAT IT COULD COST THE US ECONOMY AND AMERICAN WORKERS SIZEABLE AMOUNTS OF BUSINESS.

IN OTHER DEVELOPMENTS DURING THE WEEK, THE HOUSE DEBATED ON THE SECURITY ASSISTANCE AUTHORIZATION BILL AND HEARINGS WERE HELD IN THE HOUSE INTERAMERICAN AFFAIRS SUBCOMMITTEE ON ARMS TRADE.

## 2. SSA BUDGET DELIUERATIONS

DURING THE PAST TWO WEEKS, ARA HAS BEEN WORKING CLOSELY WITH S/P IN PREPARING SECURITY SUPPORTING ASSISTANCE (SSA) REQUESTS -- ECONOMIC ASSISTANCE DIRECTED TOWARD COUNTRIES WHICH ARE CRITICAL TO KEY US POLICY OBJECTIVES AND WHICH ARE EXPERIENCING BALANCE-OF-PAYMENT DIFFICULTIES -- FOR FY  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 194879

198U. THE BUREAU HAS ATTEMPTED WITH SOME SUCCESS TO MAKE THE POINT THAT, WITHOUT SSA, ARA HAS FEW TOOLS WITH WHICH TO RESPOND TO THE NEEDS OF MIDDLE-INCOME COUNTRIES OR ENCOURAGE THE PROCESS OF DEMOCRATIZATION IN ALL CASES.

## 3. STATE/COMMERCE TEAM VISITS JAMAICA

A JOINT STATE/COMMERCE INVESTMENT TEAM, HEADED BY DEPUTY ASSISTANT SECRETARY OF STATE RICHARD ARELLANO, COMPLETED A FOUR-DAY VISIT TO JAMAICA ON JULY 28 WHERE IT STUDIED THE JA,AICAN INVESTMENT CLIMATE. IN ADDITION TO MEETING WITH SEVERAL GOJ MINISTRY OFFICIALS AND REPRESENTATIVES OF RI-VATE INDUSTRY, THE TEAM CONSULTED WITH JAMAICAN PRIME MINISTER MANLEY.

## 4. ARA WEEKLY ISSUE: CANADA - TREND TOWARD DEMOCRATIZATION WITHOUT EARLY ELECTIONS

LAST WEEK WE POINTED OUT THE ENCOURAGING TREND IN LATIN AMERICA IN OPENING UP THE POLITICAL PROCESS AND ARGUED THAT WE SHOULD TRY TO ENCOURAGE THE EVOLUTION OF MORE DEMOCRATIC PROCESSES WITHOUT BEING TOO DISAPPOINTED AT INDIVIDUAL

FLAWED ELECTIONS. IN SOME COUNTRIES, WE NOTED, THE OPENING  
IN PROCEEDING AT WHAT MAY BE AN UNSUSTAINABLE PACE TO EARLY

POPULAR ELECTION OF THE NATIONAL LEADERS. PANAMA IS A  
CASE IN WHICH THE OPENING UP PARALLELS THAT IN THE MORE  
RAPIDLY MOVING COUNTRIES BUT WITHOUT THE PROSPECT OF AN  
EARLY POPULAR CHOICE OF NATIONAL LEADERSHIP, AT LEAST  
UNDER PRESENT PLANS.

SINCE THE OVERTHROW OF PRESIDENT ARNULFO ARIAS BY THE  
NATIONAL GUARD IN 1968, PANAMA HAS BEEN GOVERNED UNDER  
A LARGELY AUTHORITARIAN POLITICAL SYSTEM. THE PRESS WAS  
CONTROLLED, POLITICAL PARTIES OUTLAWED, OTHER BASIC FREE-  
DOMS RESTRICTED AND NUMEROUS INDIVIDUAL HUMAN RIGHTS  
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 194879

ABUSES OCCURED, PARTICULARLY BETWEEN 1968-1972. THE  
CONSTITUTION OF 1972 PROVIDED FOR A TWO-STAGE PRESIDENTIAL  
PROCESS: POPULAR ELECTION OF THE NATIONAL ASSEMBLY AND  
ELECTION BY THAT BODY OF THE PRESIDENT AND VICE PRESIDENT.  
THE CONSTITUTION ALSO GRANTED TORRIJOS EXTRAORDINARY POWERS  
AS HEAD OF GOVERNMENT UNTIL OCTOBER 1978.

IN 1977, AS THE CANAL TREATIES CAME UP FOR RATIFICATION  
HERE, TORRIJOS ACCELERATED GREATLY THE OPENING UP OF  
THE POLITICAL PROCESS TO ENHANCE PANAMA.S IMAGE ABROAD.  
THE OPENING HAS SEENSE BEEN WIDENED:

-- RESTRICTIONS ON THE PRESS HAVE BEEN LIFTED, ALTHOUGH  
THE MEDIA STILL PRACTICES SELF-RESTRAINT; PUBLIC CRITI-  
CISM OF THE GOVERNMENT IS NOW TOLERATED AND WIDESPREAD;

-- THERE HAVE BEEN FEWERE CASES OF HUMAN RIGHTS ABUSES;

-- POLITICAL PARTY ACTIVITY IS OPEN AND INTENSE, EXTEND-  
ING TO VIRULENT ATTACKS ON TORRIJOS PERSONALLY;

-- ALTHOUGH THE PARTIES TECHNICALLY REMAIN OUTLAWED,  
TORRIJOS HAS SUGGESTED THEIR LEGALIZATION;

-- ALL POLITICAL EXILES HAVE BEEN ALLOWED TO RETURN  
AND IN FACT MANY HAVE, INCLUDING ARIAS;

-- RESTRICTIONS ON FREEDOM OF ASSEMBLY AND ARBITRARY  
ARREST HAVE BEEN REMOVED, AND

-- TORRIJOS HAS COMMITTED HIMSELF TO DIRECT ELECTIONS  
FOR PRESIDENT IN 1984.

CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 194879

WHILE DIRECT PRESIDENTIAL ELECTIONS ARE SIX YEARS OFF  
AND ARE STILL TECHNICALLY ILLEGAL, THE POLITICAL OPENING

IN PANAMA IS CLEARLY FLOURISHING. AFTER TEN YEARS OF UN-  
CONTESTED POWER, TORRIJOS NOW FACES VOCAL OPPOSITION WITH  
STRENGTH AND POPULAR APPEAL. VIGOROUS CAMPAIGNS ARE NOW  
UNDER WAY, ON AN INDIVIDUAL INSTEAD OF PARTY BASIS, FOR  
THE NATIONAL ASSEMBLY ELECTIONS ON AUGUST 6. THE ELEC-  
TIONS ARE EXPECTED TO BE FAIR AND HONEST, WITNESSED BY  
OAS OBSERVERS. TORRIJOS HAS USED HIS PERSONAL INFLUENCE  
TO ASSURE CANDIDATES SUPPORTING HIM WILL WIN CONTROL OF  
THE THE ASSEMBLY, BUT HE IS NONETHELESS NOW IN A NEW  
BALLGAME. THE POLITICAL PROCESS IS EVOLVING RAPIDLY, AND  
WHILE TORRIJOS RETAINS STRONG SUPPORT, INCLUDING THE  
NATIONAL GUARD, AND SHOULD BE ABLE TO KEEP THE OPPOSITION  
AT BAY FOR AWHILE, THE PROCESS MAY HAVE GONE TOO FAR FOR  
TORRIJOS TO REVERSE OR CONTROL IT.

WHATEVER THE OUTCOME, THE PACE TOWARD DEMOCRATIZATION  
MAY BE UNEVEN, AND POSSIBLY EVEN TURBULENT, BUT THE OPEN-  
ING HAS EMERGED AND IS BEING EXTENDED. WITH THE PROCESS  
UNDERWAY, WE MIGHT NOW GIVE INCREASED ATTENTION TO IMPLI-  
CATIONS FOR US INTERESTS IN THE CANAL ITSELF AND TO US  
ACTIONS AND POSITIONS WHICH MAY IMPACT ON THE EVOLUTION  
OF MORE DEMOCRATIC POLITICAL INSTITUTIONS. VANCE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLITICAL SUMMARIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 aug 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE194879  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** JSCHRIBER:JRR  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780316-0954  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t197808106/aaaadkwu.tel  
**Line Count:** 200  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 7af78a58-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 20 jul 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1557801  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ARA WEEKLY HIGHLIGHTS  
**TAGS:** PINT, EGEN, PN, JM, US, XM, XL  
**To:** ARA POSTS  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/7af78a58-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014